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Director and Chief Medical Officer

FRED LEAF
Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
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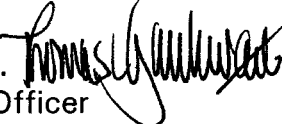
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March 28, 2005

TO: Each Supervisor

FROM: Thomas L. Garthwaite, M.D. 
Director and Chief Medical Officer

**SUBJECT: ANNUAL REPORT OF FAST TRACK ADMISSIONS AND VISITS -
CALENDAR YEAR 2004**

This is to provide the subject annual report pursuant to the Fast Track Admission Policy approved by the Board on December 7, 1999 which allows the Department of Health Services (DHS) to negotiate patient-specific payment rates for inpatient and/or outpatient services and enter into single-instance, per admission or per visit agreements with private payors (e.g., government agencies, private Health Maintenance Organizations, indemnity insurance plans, etc.), to treat specific patients at County Health Facilities. This policy was amended in August 2002 to include outpatient services.

For the Calendar Year 2004, payment terms were negotiated for 35 inpatients and six outpatients under the Fast Track Admission and Visit Policy, encompassing a total of 1,399 inpatient days and six outpatient visits. The services provided to these patients had an estimated variable cost of \$1.3 million and are projected to generate \$2.3 million in reimbursement to the County (see attached).

Since the inception of the Fast Track Program in January 2000, DHS has treated 314 inpatients for a total of 8,559 days and provided 25 outpatient visits at a total estimated variable cost of \$7.6 million and a projected reimbursement of \$11.6 million.

Each Supervisor
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The Department will continue to monitor Fast Track Admission and Visit activity on a monthly basis and will submit the annual report for Calendar Year 2005 by approximately March 30, 2006.

If you have questions or require additional information, please let me know.

TLG:ns (NSTEWART\FAST TRACK\ANNUALFT04.DOC) EN: 304:015

Attachment

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

**COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES
REVENUE MANAGEMENT DIVISION
FAST TRACK ADMISSIONS AND VISITS**

CALENDAR YEAR 2004

Calendar Year	Type Of Stay	Number Of Patients ⁽¹⁾	Number Of Days/Visits	Hospital Charges	Estimated Variable Cost	Expected Reimbursement ⁽²⁾	Payments Received To-Date	Transferred to Collections ⁽⁸⁾	Amount Outstanding	Outstanding >90 Days ⁽⁹⁾
2004	Inpatient	35	1,399	\$ 8,255,379	\$ 1,288,635 ⁽³⁾	\$ 2,252,046	\$ 1,787,951	\$ 27,845	\$ 436,250	\$ 156,225
	Outpatient	6	6	5,390	1,758	2,357	1,458	-	899	780
2003	Inpatient	42	1,092	6,033,978	1,056,535 ⁽⁴⁾	1,567,986	1,502,271	62,632	3,083	3,083
	Outpatient	11	11	12,861	3,664	7,168	6,662	-	506	506
2002	Inpatient	94	2,020	10,923,929	1,559,056 ⁽⁵⁾	2,449,251	2,075,048	300,231	73,972	73,972
	Outpatient	8	8	7,800	2896	3,810	3,802	-	8	8
2001	Inpatient	94	3,126	15,089,019	2,769,515 ⁽⁶⁾	4,051,704	3,868,823	148,253	34,628	34,628
2000	Inpatient	49	922	4,642,059	877,281 ⁽⁷⁾	1,219,375	1,197,981	21,394	-	-
Total	Inpatient	314	8,559	44,944,364	7,551,022	11,540,362	10,432,074	560,355	547,933	267,908
	Outpatient	25	25	26,051	8,318	13,335	11,922	-	1,413	1,294
Grand Total		<u>339</u>	<u>8,584</u>	<u>\$ 44,970,415</u>	<u>\$ 7,559,340</u>	<u>\$ 11,553,697</u>	<u>\$ 10,443,996</u>	<u>\$ 560,355</u>	<u>\$ 549,346</u>	<u>\$ 269,202</u>

Notes:

- (1) Non-compliance with Fast Track Agreements may result in a decrease in the number of patients reported. As a result, the number of patients may change if payments are not received pursuant to Fast Track terms and conditions.
- (2) The negotiated inpatient payment rates are not less than the higher of the County's inpatient Medi-Cal per diem contract rate currently in effect or the applicable hospital's estimated average variable costs for the applicable admission. Outpatient payment rates shall not be less than the applicable County hospital's estimated average variable costs for the applicable outpatient service.
- (3) Calendar year 2004's estimated average variable cost for service provided is based on FY 02-03.
- (4) Calendar year 2003's estimated average variable cost for service provided is based on FY 01-02.
- (5) Calendar year 2002's estimated average variable cost for service provided is based on FY 00-01.
- (6) Calendar year 2001's estimated average variable cost for service provided is based on FY 99-00.
- (7) Calendar year 2000's estimated average variable cost for service provided is based on FY 98-99.
- (8) Amounts identified as uncollectable and transferred to Treasure Tax Collector (TTC) for further action.
- (9) Amount includes \$74, 981 for High Desert Hospital inpatient services that have not been dispositioned.